

SENATE BILL NO. 801

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR HEGEMAN.

4342S.01H

ADRIANE D. CROUSE, Secretary

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to tax credits for certain medical education-related preceptorships.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 135, RSMo, is amended by adding thereto
2 one new section, to be known as section 135.690, to read as
3 follows:

135.690. 1. As used in this section, the following
2 terms mean:

3 (1) "Community-based faculty preceptor", a physician
4 or physician assistant who is licensed in Missouri and
5 provides preceptorships to Missouri medical students or
6 physician assistant students without direct compensation for
7 the work of precepting;

8 (2) "Department", the Missouri department of revenue;

9 (3) "Division", the division of professional
10 registration of the Missouri department of commerce and
11 insurance;

12 (4) "Federally Qualified Health Center (FQHC)", a
13 reimbursement designation from the Bureau of Primary Health
14 Care and the Centers for Medicare and Medicaid Services of
15 the United States Department of Health and Human Services;

16 (5) "Medical student", an individual enrolled in a
17 Missouri medical college approved and accredited as
18 reputable by the American Medical Association or the Liaison

19 Committee on Medical Education or enrolled in a Missouri
20 osteopathic college approved and accredited as reputable by
21 the American Osteopathic Association;

22 (6) "Medical student core preceptorship" or "physician
23 assistant student core preceptorship", a preceptorship for a
24 medical student or physician assistant student that provides
25 a minimum of one hundred twenty hours of community-based
26 instruction in family medicine, internal medicine,
27 pediatrics, psychiatry, or obstetrics and gynecology, under
28 the guidance of a community-based faculty preceptor. A
29 community-based faculty preceptor may add together the
30 amounts of preceptorship instruction time separately
31 provided to multiple students in determining whether he or
32 she has reached the minimum hours required under this
33 subdivision, but the total preceptorship instruction time
34 provided shall equal at least one hundred twenty hours in
35 order for such preceptor to be eligible for the tax credit
36 authorized under this section;

37 (7) "Physician assistant student", an individual
38 participating in a Missouri physician assistant program
39 accredited by the Commission on Accreditation of Allied
40 Health Education Programs or its successor organization;

41 (8) "Taxpayer", any individual, firm, partner in a
42 firm, corporation, or shareholder in an S corporation doing
43 business in this state and subject to the state income tax
44 imposed under chapter 143, excluding withholding tax imposed
45 under sections 143.191 to 143.265.

46 2. (1) Beginning January 1, 2023, any community-based
47 faculty preceptor who serves as the community-based faculty
48 preceptor for a medical student core preceptorship or a
49 physician assistant student core preceptorship shall be
50 allowed a credit against the tax otherwise due under chapter

51 143, excluding withholding tax imposed under sections
52 143.191 to 143.265, in an amount equal to one thousand
53 dollars for each preceptorship, up to a maximum of three
54 thousand dollars per tax year, if he or she completes up to
55 three preceptorship rotations during the tax year and did
56 not receive any direct compensation for the preceptorships.

57 (2) To receive the credit allowed by this section, a
58 community-based faculty preceptor shall claim such credit on
59 his or her return for the tax year in which he or she
60 completes the preceptorship rotations and shall submit
61 supporting documentation as prescribed by the division and
62 the department.

63 (3) In no event shall the total amount of a tax credit
64 authorized under this section exceed a taxpayer's income tax
65 liability for the tax year for which such credit is
66 claimed. No tax credit authorized under this section shall
67 be allowed a taxpayer against his or her tax liability for
68 any prior or succeeding tax year.

69 (4) No more than two hundred preceptorship tax credits
70 shall be authorized under this section for any one calendar
71 year. The tax credits shall be awarded on a first-come,
72 first-served basis. The division and the department shall
73 jointly promulgate rules for determining the manner in which
74 taxpayers who have obtained certification under this section
75 are able to claim the tax credit. The cumulative amount of
76 tax credits awarded under this section shall not exceed two
77 hundred thousand dollars per year.

78 (5) Notwithstanding the provisions of subdivision (4)
79 of this subsection, the division is authorized to exceed the
80 two hundred thousand dollars per year tax credit program
81 limit in any amount not to exceed the amount of funds
82 remaining in the medical preceptor fund, as established

83 under subsection 3 of this section, as of the end of the
84 most recent tax year, after any required transfers to the
85 general revenue fund have taken place in accordance with the
86 provisions of subsection 3 of this section.

87 3. (1) Funding for the tax credit program authorized
88 under this section shall be generated by the division from a
89 license fee increase of seven dollars per license for
90 physicians and surgeons and from a license fee increase of
91 three dollars per license for physician assistants. The
92 license fee increases shall take effect as of January 1,
93 2023, based on the underlying license fee rates prevailing
94 on that date. The underlying license fee rates shall be
95 determined under section 334.090 and all other applicable
96 provisions of chapter 334.

97 (2) (a) There is hereby created in the state treasury
98 the "Medical Preceptor Fund", which shall consist of moneys
99 collected under this subsection. The state treasurer shall
100 be custodian of the fund. In accordance with sections
101 30.170 and 30.180, the state treasurer may approve
102 disbursements. The fund shall be a dedicated fund and, upon
103 appropriation, moneys in the fund shall be used solely by
104 the division for the administration of the tax credit
105 program authorized under this section. Notwithstanding the
106 provisions of section 33.080 to the contrary, any moneys
107 remaining in the fund at the end of the biennium shall not
108 revert to the credit of the general revenue fund. The state
109 treasurer shall invest moneys in the medical preceptor fund
110 in the same manner as other funds are invested. Any
111 interest and moneys earned on such investments shall be
112 credited to the fund.

113 (b) Notwithstanding any provision of this chapter or
114 any other provision of law to the contrary, all revenue from

115 the license fee increases described under subdivision (1) of
116 this subsection shall be deposited in the medical preceptor
117 fund. After the end of every tax year, an amount equal to
118 the total dollar amount of all tax credits claimed under
119 this section shall be transferred from the medical preceptor
120 fund to the state's general revenue fund established under
121 section 33.543. Any excess moneys in the medical preceptor
122 fund shall remain in the fund and shall not be transferred
123 to the general revenue fund.

124 4. (1) The division shall administer the tax credit
125 program authorized under this section and certify rotations
126 for the tax credit. Each taxpayer claiming a tax credit
127 under this section shall file an affidavit with his or her
128 income tax return, affirming that he or she is eligible for
129 the tax credit.

130 (2) No amount of any tax credit allowed under this
131 section shall be refundable. No tax credit allowed under
132 this section shall be transferred, sold, or assigned. No
133 taxpayer shall be eligible to receive the tax credit
134 authorized under this section if such taxpayer employs
135 persons who are not authorized to work in the United States
136 under federal law.

137 5. The department of commerce and insurance and the
138 department of revenue shall jointly promulgate rules to
139 implement the provisions of this section. Any rule or
140 portion of a rule, as that term is defined in section
141 536.010, that is created under the authority delegated in
142 this section shall become effective only if it complies with
143 and is subject to all of the provisions of chapter 536 and,
144 if applicable, section 536.028. This section and chapter
145 536 are nonseverable, and if any of the powers vested with
146 the general assembly pursuant to chapter 536 to review, to

147 delay the effective date, or to disapprove and annul a rule
148 are subsequently held unconstitutional, then the grant of
149 rulemaking authority and any rule proposed or adopted after
150 August 28, 2022, shall be invalid and void.

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